

## ACQUISITION COUNCIL MEETING NOTES

**July 20, 2005**

**Room 4064**

**9-11**

Location: Herbert C. Hoover Building, Washington, DC

Attendees:	Members	Advisors	Other Representatives
	Mike Sade, DOC PE, OAMFA	Chris Makris, OAMFA	Tom Cochran, OAMFA
	Mike Anastasio, OAMFA	Debra Young, OAMFA	George Ralis, OSDBU
	Phyllis Bower, NIST	Mark Langstein, OGC	Nancy Barrere, OAMFA
	Kevin McGinn, PTO	L. Desmukes, OSDBU	Jackie Wilson, OSDBU
		Leslie Andreacs, OAMFA	Yvonne Vines, OSDBU
			Greg Crider, OAMFA

**Members Absent:** Helen Hurcombe, NOAA (Travel)  
Mike Palensky, Census

### WELCOME

Mike Sade welcomed attendees, particularly Kevin McGinn, PTO's new Director of the Office of Procurement--for a first "in person" meeting. Mike Palensky and Helen Hurcombe were unable to attend. Mike asked members to let him know is there's anything we can do to help with year end business. Mike also noted OAMFA will again sponsor a Fall conference for HCOs, at which they can reflect upon the year and decide what to do next year. It is out of last year's HCO conference that the Case for Change emerged.

Mike noted that that the Case for Change updates presented so far have been most useful in helping us all understand the various initiatives underway across the Department. Leslie has pulled together a matrix of initiatives that each office is working on to identify crossover and duplicate efforts.

On the agenda today are Case for Change updates from OGC, OSDBU, and OAMFA's Directorate; a discussion of the Acquisition Planning Tool and, if time permits, discussion of the COOP lessons learned.

### OSDBU CASE FOR CHANGE UPDATE (L. Desmukes)

LaJuene focused on OSDBU's efforts to improve small business accomplishments across the Department and to be a partner in the business broker concept. OSDBU views small business initiatives as an integral part of acquisition process and sees the bureau small business specialist as business brokers after the same goals we all share. Small business specialists can actually help streamline the business process by helping with market research and with identification and selection of contractors. OSDBU has reformatted the way it counsels small business; is building partnerships through collaboration on major acquisitions and maintaining market intelligence. OSDBU is evolving to a performance based organization by bridging the skill gap; though most of the small business specialists are 1102s, OSDBU staff, who are other than 1102s are taking acquisition courses. OSDBU is partnering with its customers, including the PE, to develop Departmental policies and guidance, coordinating major acquisitions with the COs. It is a member of the ARB and a participant in the OSITRB and DOC CITRB. It is partnering with industry by maintaining and disseminating contract opportunities to small business and using best practices by networking with other OSDBU and business development centers. Is it conducting vendor outreach by increasing participation, specifically targeting Service Disabled Veteran Owned Small Businesses. Resource-wise, OSDBU is realigning staff (with Yvonne and George focusing on front end, LaJuene and Jackie Wilson on the backend). Is attempting to manage the culture changes and gradually getting better CD 570 submissions.

Leveraging technology, including helping to pre-beta test the Electronic Subcontracting Reporting System (ESRS)—George will bring an ESRS demo to Council as early as August. Working with the PE on DOC's Service Disabled Veteran Owned Small Business Strategic Plan —George is the SDVOSB Rep. For now, only NIST is doing well w/regard to this category, although overall Commerce continues to do extremely well overall in its awards to small business. OSDDBU feels 1102s and CORs are principally responsible for the need to be sensitive to socio-economic goals. Mike wants to not just award dollars to SB but to help "grow" them. It falls to 1102s and CORs to be sensitive to socio-economic goals. Next year, Mike suggests OSDDBU take the lead to set up a lunch seminar with our spenders to hear industry's perspective on our solicitations and RFPs. Help industry "train us" to improve our performance. The more the front line hears on this the better. The objective is to better target available business opportunities and to let companies know they'll get a fair hearing. Maybe a session on this at the conference. **Presentation is attached**

#### **OGC/CLD CASE FOR CHANGE UPDATE (Mark Langstein)**

CLD tries to do more than just the legal basics. Serves as a kind of "nerve" center and partners with its procurement and program clients. Serves both an educational and business role. CLD see the failures and the successes. Still reviews for legal necessities but paying increased attention to risk and business factors: Does the proposed acquisition approach make sense? Is the SOW soundly constructed? Are there adequate controls and incentives? Is the source selection sound? Is any limitation on competition justified? Encourages OAMFA and BPOs to participate in CLD staff meetings to increase interchange. Is an active partner in the ARB and other groups and is proactive with clients and the major acquisition processes (CRBs, Evaluations, Discussions, SEBs, etc.) Sees itself transforming from "contract lawyer" to a more complete "business lawyer" role. The key is being invited into the process early, so they can be involved in business discussions. Most problems they see are not from or about FAR clauses; they are about ill defined statements of work, wrong contract types and "customized" stuff that is not clear. Can add value by looking at a plan or SOW and seeing if it makes sense and provides adequate controls. Mark notes CLD's scope is expanding to real property and MOU work. Challenges including staffing, particularly if they have to ramp up for higher A-76 activity levels and high visibility programs like GOES-R. **Presentation is attached**

#### **UPDATE ON ACQUISITION CASE FOR CHANGE (CHRIS MARKIS)**

Chris noted OAMFA highlights include: Management of the Acquisition Review Board which (as of June 2005) has met 12 times and reviewed 21 cases (value \$2.4B) which has expanded to IAAs and Real Property; oversight of GOES-R and Decennial; major outreach to executive and acquisition communities, CIO conference; support of Financial Management's "getting to green" on PMA and for competitive sourcing. We're bridging the skills gap by launching the COR program, standardizing PDs for 1102, 1105, 1106, implementing the workforce assessment database (all acquisition folks are in; CORs being entered). We are partnering with our customers through the CIO, CFO councils and reaching out to departmental and bureau top management (PE briefs to DS, OIG, Census, NIST, and NOAA). We are partnering with industry through COMMITS-Nex Gen, and using best practices via COR outreach, IT security, and performance-based contracts. We are creating a performance based organization through feedback on the balanced scorecard and through participation and membership in acquisition forums, like the CAOC, ACE, Career Management, and the IAE. To do all this, we are realigning our staff and workloads. Using matrix management with lane leads, human capital plan, and commodity sourcing plan. Managing culture by PE outreach to bureau leadership and acquisition communities and revising training programs. We are leveraging technology through IT governance, expansion of EARS, upgrading the BSC and new surveys, ORSI, and WAD. What are the challenges? Culture changes; funding enterprise-wide systems; managing new IT systems, communications and leveraging resources. **Presentation is Attached**

#### **UPDATE ON ACQUISITION PLANING TOOL (Tom Cochran)**

Tom said he will be sending an E-mail to HCOs regarding the efforts of the focus group. At this point, however, alternatives are essentially between CSTARS (demonstrated in May), SAM (a NOAA product demonstrated in May), Momentum (which PTO uses), and an Access/Excel product used by CENSUS, and

Prism. In addition, Greg is working with ASI to consolidate 4 DAOs into one Acquisition Planning DAO and has also met with outside groups (OGC, Budget, CIO, OSDBU) and received many ideas about what the acquisition process is and what it should include. The idea is to be sure the acquisition planning system reflects and is responsive to all these needs. Phyllis asked whether we are considering acquisition planning with a “big” or “little” P. Looking at the big P, then using financial data and a tool that aligns with all is key. Chris indicated we are definitely looking at Acquisition Planning with the big “P”.

## **OTHER UPDATES**

Action is expected soon on Labor’s Wage Determination rule that will allow full implementation of the Wage Determination On-Line system. Get ready for Competitive Sourcing. Otto is focusing on this and a feasibility study is on the way. Leslie noted OMB’s Strategic Sourcing meeting is this week and that we’re still deciding how best to approach this. Custina will be the lead on Strategic Sourcing and our new team lead, Babs Fallat will play a role. Kevin McGinn asked about the Procurement Strategy Council and Leslie indicated she would send webinfo out so he could self register. Will send Kevin the revised Charter. Only PTO and Census have not yet signed. The DOC Agency Strategy Plan for Contracting with Service-Disabled Veterans’s Businesses (EO 13360), per LaJuene, is posted on OSDBU website (OAMFA will link to)

## **ACTION ITEMS**

- *George to bring demo esRS to August 24 mtg, if system is viable then*
- *Consider small business forum to help them educate our front line*
- *Link OAMFA site to OSDBU’s site for DOC’s SDVOSB plan*

## **DISCUSSION AND WRAP UP**

Mike thanked everyone for attending.

The next Acquisition Council meeting is scheduled for August 24<sup>th</sup> from 9-12.

Acquisition Council members should be prepared to discuss COOP Lesson’s Learned.

Today’s meeting concluded at 11:20 AM

## **ATTACHMENTS: OSDBU, OGC/CLD, and OAMFA’s CASE FOR CHANGE UPDATES**